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## **Report of the Cameroon National Youth Consultation on 'European Union – African Union Strategy: A Youth Perspective.'**

**June 13, 2007**

*(International Relations Institute of Cameroon – IRIC)*



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# Content

## **I. About the Organisers**

### **I.I. CAMYOSFOP.....II**

### **I.II. AYFP.....III**

#### **1. Introduction.....1**

#### **2. Official Opening Ceremony.....2-3**

#### **3. Plenary Presentations**

##### **3.1. Monetary threats and opportunities in E U - A U Cooperation.....4**

##### **3.2. Youth contribution to the African Union Process.....5**

##### **3.3. Harnessing globalisation to create decent jobs and reduce poverty.....5-6**

##### **3.4. The African Youth Charter as basis for youth development.....6**

#### **4. Workshop Session**

##### **4.1. Migration and brain drain.....7**

##### **4.2. Cooperation between EU and AU.....7.**

##### **4.3. Proactive steps to bring about African Union government.....8**

#### **5. Conclusion.....8**

#### **6. Appendices**

##### **6.1. Programme.....9.**

##### **6.2. Welcome address by Ngalim Eugene.....10-11**

##### **6.3. Opening Speech by the Minister of Youth Affairs.....12.**

##### **6.4. Monetary threats and opportunities in the EU – AU Cooperation.....13-15.**

##### **6.5. Harnessing globalisation to create descent jobs and reduce poverty.....16-22.**

##### **6.6. The African Youth Charter as basis for development.....23-24.**

##### **6.7. Youth Contribution to the African Union Process.....25-26**

# I. About the organisers of the Consultation

## *1.1. Cameroon Youths and Students Forum for Peace (CAMYOSFOP)*

CAMYOSFOP is an NGO founded on non – partisan and non – profit making basis. Created in 1999, with an official authorisation on October 10, 2001, its prime objective is educating youth, students and the public in general on their moral and traditional values. This education is done from the perspective of its ideology, which include: Fear of the Lord; Friendship; Harmony; and Amicable resolution of conflicts in fora. All the above mentioned, culminate in the promotion of human rights and conflict resolution, which are all prerequisites to a culture of peace.

CAMYOSFOP seeks to:

- ❖ Educate youths, students and the public in general on their moral and traditional values and ways of resolving differences, in a bid to restore a culture of peace.
- ❖ Foster peace, justice and progress through social interaction and communication among youths, students and the public in general.
- ❖ Initiate amicable fora for resolution of differences.
- ❖ Work relentlessly in establishing a network with institutions of the same calibre.
- ❖ Work in collaboration with Traditional Rulers, Religious Leaders, and Ministries involved with youth issues.

CAMYOSFOP has gained reputation over the years through its actions and it's Executive Director who was appointed in June 2004 as the UN Youth Spokesperson for the promotion of the Millennium Development Goals in Cameroon. In September 2006, he was appointed by a Presidential Decree as a member of the National Commission on Human Rights and Freedoms. Equally, in June 2005, its Public Relations Officer was appointed by the Ministry of Youth Affairs as the Deputy Youth Representative of the Commonwealth Youth Caucus for African Region.

In 2005, during the Second Pan African Youth Leadership Summit, held in Morocco, CAMYOSFOP was a laureate of the UN/King Mohammed VI Continental Award on Youth led Millennium Development Goals (MDGs) related projects. Its project was on the campaign against the illicit proliferation and misuse of war toys, firecrackers, small arms and violent films within the youth milieu in Cameroon.

CAMYOSFOP has been involved in almost all processes of youth development both nationally and internationally. Some of these processes include: The National Youth Policy and the National Youth Council in Cameroon; the African Union ECOSSOC Process; the UNECA African Development Forum V; Continental and Global Youth Summits on the Millennium Development Goals; and the UN World Program of Action for Youths.

## I.11. African Youth Forum for Peace (AYFP)

The AYFP is the outcome of the efforts of the United Nations and the Global Peace Initiative of Women (GPIW) in mobilising African Youths around the themes of the MDGs, through the various Pan – African Youth Leadership Summits organised in Dakar – Senegal from June 27 – 30, 2004 and Ifrane – Morocco from August 18 – 23, 2005.

During the First Pan African Youth Leadership Summit held in Dakar – Senegal, the Cameroon Youths and Students Forum for Peace (CAMYOSFOP), under the leadership of Ngalim Eugene Nyuydine pioneered the creation of this network with the following Youth Leaders: Marie Tamoifo Nkom from Cameroon; Felicien Boussola from Central Africa Republic; Hauwa Umar from Nigeria; Angela Salvatory Damas from Tanzania; and Yohannes Mezgebe from Ethiopia.

AYFP seeks to:

- Mobilise and co-ordinate youth initiatives on the future of Africa;
- Promote the vision and goals of African Union;
- Provide training on leadership, conflict prevention, management and resolution;
- Play major roles in addressing and managing conflicts in Africa;
- Promote the attainment of international agendas such as: The MDGs; The World Programme of Action for Youths; UN Programme of Action against the Illicit Proliferation and Misuse of Small Arms; New Partnership for Africa Development (NEPAD) etc



The EU – AU National Youth Consultation organised by the Cameroon Youths and Students Forum for Peace (CAMYOSFOP) in collaboration with the African Youth Forum for Peace (AYFP), with the support of the Ministry of Youth Affairs, Cameroon, the UN Economic Commission for Africa (UNECA) and the International Relations Institute of Cameroon (IRIC) on June 13, at IRIC, brought together politically active young people from across the globe to discuss issues surrounding the Africa Union – European Union Cooperation strategy, currently being developed by Heads of State from both continents.

This occasion which was officiated by Mr. Abdoulahi Nfoumbout, Secretary General of the Ministry of Youth Affairs equally brought together eminent personalities that included: Professor Jean Narcisse Mouelle Kombi, Director of IRIC, Professor Maurice Tadadjeu, Vice President of African Union - Economic, Social and Cultural Council (AU – ECOSOCC), Mr Martin Tsonkeu, Cooperate and Development Economist of Africa Development Interchange Network (ADIC), Mr Mamadou Malick Bal, Associate Economic Officer of the Yaounde office of UNECA, and Mr. Selema Akedjol, Director of Associative Lives and Leisure at the Ministry of Youth Affairs.



From L to R, Selema Akedjol(DVAL MINJEUN), Abdoulahi Nfoumbout(SG MINJEUN), Jean Narcisse Mouelle(Dir. IRIC), Martin Tsonkeu (Consultant ADIC). Behind, Mamadou Malick (UNECA), Didier Olinga (IRIC), Maurice Tadadjeu(V.P ECOSOCC)



The consultation included paper presentations by the above personalities, followed by brainstorming in three different working groups. These included: Migration and brain drain; Cooperation between EU – AU; and Proactive steps by African Heads of State towards this cooperation strategy.

## 2. Official Opening Ceremony

While welcoming the participants, the initiator of the consultation Ngalim Eugene Nyuydine, the Executive Director of CAMYOSFOP and founder of the AYFP, highlighted following points:

The EU – AU Strategy is the outcome of the December 2005, European Union Summit that adopted the 'EU Strategy for Africa,' setting out guidelines for a new Europe – Africa partnership. This collaboration was then further strengthened by the 6<sup>th</sup> EU – Africa Ministerial Troika meeting in Vienna on May 8, 2006, and the African Union Commission - European Union Commission meeting in Addis Ababa on October 2, 2006. These events have contributed to a growing consensus among European and African Leaders of the important links between issues relating to peace, security and development, recognising the need to foster improved integration, solidarity, and cooperation between the two continents.

The framework for the EU-Africa relationships has traditionally been fragmented for historical and geo-strategic reasons; characteristics which unfortunately remain embedded in EU-Africa relations. In the past the three frameworks for cooperation between the Europe and Africa, have resulted in various degrees of success. For example; the *Cotonou Partnership Agreement*, the *European Neighbourhood Policy*, and the *Trade and Development Cooperation Agreement with South Africa*.

Therefore, in order to address previous weakness the process of establishing a Joint EU – AU Strategy at the Second EU – AU Summit in Lisbon, December 2007, is of fundamental importance in securing successful co-operative development in the future. This Strategy will act as a reference framework for Europe – Africa over the next decade.

In the mean time, the synergic relations between Europe and African Youth is also evolving, inspired by the emergence of strong links between civil society within both continents. The establishment of the African Youth Charter is a strong indicator of these challenges – many of which have developed within the context of the World Program of Action for Youth, adopted by the UN in 1995, and of the 1998 Braga Youth Action Plan – working towards

the achievement of the Millennium Development Goals, that were put in place in September 2000, during the Millennium Summit with the UN Office of Sport for Development and Peace (UNOSDP) mandated to vulgarise them within the youth milieu.

This welcome was followed by a statement from the Director of IRIC. He began by talking about the importance of diplomacy in ensuring lasting peace, co-operation and development between Europe and Africa, of which discussions in Portugal in 2007 shall play a vital role. He further went on to say that IRIC seeks to foster this through its' own educational, training and out reach programmes.



Ngalim Eugene, Executive Director, CAMYOSFOP addressing participants



Prof. Moelle Kombi, Dir. IRIC



The Secretary General on behalf of the Minister of Youth Affairs firstly recognised the importance of opening up dialogue with youth and allowing them to play an active role in discussion pertaining to development, so to foster more equitable globalisation which takes as a special focus the issue of human rights. He wished to strongly encourage the establishment of global youth network or partnership to work in tandem with formal State-lead decision-making processes relating to both domestic and international agendas.



Abdoulahi Nfoumbout, S.G. MINJEUN officially opening national youth consultation on EU-AU cooperation strategy

Specifically, he focused on the steps leading up to the adoption of a Joint EU – AU Strategy in Lisbon, in December 2007. He considered the importance of this cooperation in relation to the development of both Africa and Europe, noting that youths especially should take a leading role in the process. It was recognised that forums such as the one undertaken by CAMYOSFOP provide the best opportunity for analysis, by evoking strategic debate and opening up space for objective solutions to be found to the issue of improved co-operation between Africa and Europe.

#### 3.1. First Presentation:

##### **Monetary threats and opportunities in European Union - African Union Cooperation: Prospects for CFA Franc, by Martin Tsounkeu, Corporate and Development Economist, Africa Development Interchange Network (ADIN)**



The presentation focused on the process of building up of the African Union that has been plague with poverty and debt. As such, this has drawn the need for urgent solutions, one of which passes through international co-operation including links with the European Union especially from the monetary angle in the area of trade, hence currency development in terms of prospects and impact. To build a strong currency, Africa could take the example of the European Union which since 2003 has imposed Euro as the second strongest currency in the world after the dollar. Taking the case of the Franc Zone, the merging of the CFA in the West and Central Africa, used by 12 Francophone African Countries could be a good start that spurs the putting in place of single African currency.

Talking about the Franc Zone, between 1945 and 1958, CFA first stood for Colonies françaises d'Afrique (French colonies of Africa) before changing into "Communauté française d'Afrique" (French community of Africa) between the establishment of the French Fifth Republic in 1958 and the independence of African French colonies in the early 1960s.

The reason for the creation of the CFA in 1945 (December 26) was the weakness of the French franc immediately after World War II. When France ratified the Bretton Woods Agreement at the time, the French franc was devalued in order to set a fixed exchange rate with the US dollar. New currencies were then said to be created in the French colonies to spare them the strong devaluation. The CFA franc was created with a fixed exchange rate versus the French franc. This exchange rate was changed twice. From 1 FFR = 50 CFA F in 1948 it stood at 1 FRF = 100 CFA F after December 1994. With the advent of the Euro as from January 1999, the CFA franc's fixed exchange rate to the French franc shifted to a fixed rate to the Euro at 1 Euro = 655.957 CFA francs.

Threats and Opportunities attached to the relationship between Euro and the CFA franc?

Opportunities in this case include: low inflation, sustained economic growth, international currency status and more gains from imports from countries with weaker currency than the Euro.

The threats face by the CFA is that: the CFA depends on the Euro in terms of monetary policy and trade strategy, negative consequences on competitiveness and limitation to co-operation with other regions. In order to avoid the threats faced by CFA, it is time for Africa to start working towards a common monetary instrument for the African Union.



### 3.2. Second Presentation:

**Youth contribution to African Union process, by Professor Maurice Tadadjeu, Vice President of African Union – Economic, Social and Cultural Council (ECOSOCC)**



Professor Tadadjeu reiterated on the fact that the youth that constitute over 70% of Africa's population have been considered by the AU as a necessary segment in the process of the AU. This consideration is in the civil society wing of the AU which is the AU - ECOSOCC. According to the structure of the AU - ECOSOCC, the youth constitute 50% of its membership. To become a member of ECOSOCC, you must belong to a youth organisation and the organisation must register with ECOSOCC in order to run for National and Sub Regional elections that are presently taking place all over the continent. Tadadjeu also stressed on the importance of youths voting for Africa's draft constitution that is aimed at putting in place the structures of the United States of Africa by 2015. According to the programme of this draft constitution that have been drafted by the African Civil Society, it should be adopted by 2008, and by 2010 referendums should be conducted on the United States of Africa, all over Africa.

As such, the role of youth is to ensure the AU Govt is founded. Therefore they need to be pro-active in lobbying governments and galvanising the rest of the society on the processes that are taking place on the establishment of an AU government.

### 3.3. Third Presentation:

**Harnessing Globalisation to Create Decent Jobs and Reduce Poverty, by Mamadou Bal Malick, Associate Economic Officer, UN Economic Commission for Africa (UNECA), Cameroon.**



This presentation saw globalisation during the past 20 years as bringing dramatic changes in International markets. As such the process which is complex affects many aspects of people's lives. Most industrial countries have restricted immigration, particularly that of low skilled workers. Moreover, after the terrorist attacks of September 11, 2001, the movement of people, not only into the United States but also into other countries of the world, has been restricted and controlled more and more. Most importantly, most industrial countries have restricted immigration, particularly that of low - skilled workers.

Unfortunately, Africa's market is integrated in a biased way into world economy, as it depends very much on the Western countries; hence her share in FDI is low. As such its shares in both world trade and FDI are only 2% of the global total, a reflection of the continent's low share in world GDP. Added to this communication and Technology has dramatically change the speed of trade as education is a major instrument to trade today.

Because the ratio of productivity linked to wages is low, Africa needs to improve and diversify her exports, particularly the value added exports in order to be able to compete with products from Europe, China and US. In order to succeed in this she also needs to invest in human capital.

She equally needs to improve on her quality of education and on her infrastructure.

Also African diasporas could be a good stepping stone in harnessing globalisation. The migration of skilled workers from Africa to industrial countries increases the scarcity of skills and reduces the returns of government spending on education. Ways need to be found to harness the potential contributions of international migration for sustainable development. The main channels are remittances, investments, skill transfers and diaspora networks (IOM 2004).

Worldwide remittances have become the second largest source of financial flows after FDI. Growing fastest, they are the most stable capital inflows into developing countries, reducing poverty and vulnerability. The amount of reported remittances has increased from \$8.6 billion in 1990 to \$11.1 billion in 2002. Africa received about 15 per cent of global remittances, with the bulk going to North Africa. For Sub-Saharan Africa, remittances contributed 1.3 per cent to GDP in 2002, but for some countries the contribution exceeds 10 per cent. With a significant part remitted through informal channels. It is estimated that actual remittances are at least twice the official figures (World Bank 2004; Docquier and Rapoport 2004).

In order to mitigate globalization African governments need to cushion the most vulnerable groups against the adverse effects of globalization. These include laid-off workers in import-substituting industries, especially low-skilled workers, and poor people, who often lack assets to invest in productive activities.

Ways to mitigate the adverse effects of globalization requires providing basic social security, retraining workers for growing sectors and improving access to education and credit. In addition, institutions need to be modernized to improve information flows in the labour market and increase contract enforcement. This will enable African countries to participate in global value chains. Moreover, the links that migrants can establish between their country of origin and their country of residence can be useful for integrating into the world economy.

### 3.4. Fourth Presentation:

**The African Youth Charter as Basis for Youth Development in Africa. By Selema Akedjol, Director of Associative Life and Leisure, Ministry of Youth Affairs, Cameroon**



Considering the fact that the youth constitute over 70% of Africa's population, this implies that they should be able to play significant roles in every processes of development in Africa. It is therefore for this reason that the African Union decided to come up with a charter that will permit youths to contribute to the development of Africa.

Cameroon on her part organised the consultative meeting that worked on this charter that was put in place on May 21, 2006 and adopted by the African Heads of States during the 7<sup>th</sup> AU General Assembly in Gambia. This charter was officially put in place in November 2006, during the Fifth African Development Forum on Youth and leadership in the 21<sup>st</sup> Century, held in Ethiopia from November 16 – 18, 2006.

The charter contains a number of articles with focus on liberty, peace, employment, leisure, socio – cultural education, discrimination and gender equality. Most importantly, article 26 focuses on youth responsibility to his family, society, the state and the international community. The charter aims to ensure that youth development is integrated into African government development as a whole by participating in decision making.

## 4. Working Groups:

*Participants were divided into three 'working groups' in order to brainstorm on the various issues raised by the speakers of the conference. The following problems were identified and solutions*

### 4.1. Migration and Brain-drain:

Within the education systems in Cameroon it is felt that there is a lack of practical skills training, instead there is too much focus on general education. This results in young people coming out of education without the necessary skills to partake in the job market.

This issue is further compounded by a lack of job opportunities existing within Cameroon and Africa as a whole. Thus, Africa is losing some of its most highly skilled workers to Europe and the USA as they seek employment abroad.

The cultural and socio-political climate, has for a long time marginalise youth from the political process, which further contributes to their desire to move to other countries in the West, believing that they shall have more opportunities to engage in political decision making.

#### Proposed Solutions:

- Within the Higher Education Institutes, students should receive more vocational training. In addition, there should be increased investment into vocational training colleges.
- In order to address the lack of jobs, the government needs to take into account local reality in putting in place policies on employment training that will permit young people recognise self-employment opportunities. The government could assist this through regulations which create favourable environments for entrepreneurial development. For instance tax holidays for young business operating in their first year.
- Increased consultation with youth organisations and networks to ensure government manifestos are more reflective of their needs.

- Finally, the Ministry of Youth Affairs should be able to support youth projects in the entire territory of Cameroon and to also establish partnerships with donor organizations that fund youth projects. The signing of a convention by the Ministry of Youths with the European Union could be a stepping stone in reducing youth unemployment in Cameroon.

### 4.2. Co-operation between EU and AU

Noting that cultural diversity and the gap in monetary value and development between the two continents have been instrumental in the fragmentation of relations between the two continents, hence Africa keeps depending on Europe.

#### Proposed Solutions

- The creation of a Central bank that can link currencies of Africa and Europe will help reduce the level of African dependencies on Europe.
- Over dependence on EU – need middle of the way approach between EU and AU. EU needs to be more cooperative. For example, the EU should be able to lower interest rates for loans and cancelling some of the debts African Countries owe to them.
- African countries need to draw on best practices from other places such as the rising Asian countries and other successful countries in Africa.
- In order to improve on the development of Africa, natural resources exploited and exported to Europe should be given due consideration, compensation and re-investment in Africa.
- Youths from Europe and Africa should be able to come together and create a Euro – African Youth Network, with exchange programmes on experience sharing and best practices. The North South Centre that has been involved in spearheading the youth process in the EU – AU Cooperation Strategy should be encouraged to take a lead in the creation of such a network.



### 4.3. Proactive steps to bring about African Union Government.

It was generally accepted that most African Leaders are not willing to surrender some powers or to give the chance to other competent persons to govern. As such this has constantly led to political upheavals that some times affect the economies of these countries. Also, most economic regional groupings are so powerful, that some times limits inter regional co-operation. Finally, it was noticed that African cultural diversity including unaccountable languages, restricts communication and hinders co-operation.

#### Proposed solutions

- African governments should be able to revise their constitutions and limit presidential terms of office, hence reducing conflicts arising from the fight to govern.
- African Economic communities should work in close collaboration and share success stories on their missions thus providing the basis for regional integration in Africa.
- Africans need to be more inward looking in conserving their values. That is establishing official languages that reflect regional cultural diversity with a focus on fostering African Unity.
- Youths should be able to register and contest elections within the ECOSOC in order to have their voices to be heard in the African Union Commission through the ECOSOC.
- The various African governments should be committed in effectively putting in place the African Youth Charter that is expected to pave the way for youth development in Africa.
- African Heads of State should be able to commit themselves on the creation of the United States of Africa in the shortest time possible.



Working session groups

## 4. Conclusion:

The implication of the youths in the Euro – African Cooperation strategy could be considered as a stepping stone to sustaining the cooperation since the relay will be easily passed to the youths who are considered as future leaders of both continents. This emerging relation between African and European youths is already a living prove of the importance of the implication of the youths in the process. So far the various regional meetings and the up coming consultations are already a big success of African and European youths working in a synergy. Equally, the implementation of the resolutions of this consultation will go a long way in enhancing the EU – AU Cooperation strategy. But this also depends on the actors involved in the process, especially the Ministry of Youth Affairs, the North South Centre, the African Union Commission, and the European Union Commission.



## 6.

# Appendices

### 6.1. Programme of the National Youth Consultation on EU – AU Cooperation Strategy

**Wednesday, June 13**  
**International Relations Institute of Cameroon (IRIC).**

**8 – 9 am.** Arrival and registration of participants

**9 – 9.30 am. Opening ceremony**

Word of welcome by the Executive Director of CAMYOSFOP  
A statement by the Director of IRIC, Prof. Mouelle Kombi  
A Statement by the Head of European Commission to Cameroon,  
H. E. Javier Puyol Pinuela  
Opening speech by H.E. Adoum Garoua, Minister of Youth Affairs  
Family Picture/Informal discussions

**9.30 – 11.30 pm. Presentation**

- **EU - AU Cooperation as Basis for Prosperity: Monetary Threats and Opportunities in EU – AU Co-operation and Prospects for the CFA Franc** by Martin Tsounkeu, African Development Interchange Network  
Followed by Q & A
- **Youth Contribution to the African Union Process**, by Prof. Maurice Tadadjeu, Vice President of AU - ECOSOCC. Followed by Q & A
- **The African Youth Charter as Basis for Youth Development in Africa**, by Mr. Selema Akedjol, Director of Associative Lives and Leisure, Ministry of Youth Affairs. Followed by Q & A
- **Harnessing Globalisation to Create Decent Jobs and Reduce Poverty**, by Mamadou Malick Bal, Associate Economic Affairs Officer, UN Economic Commission for Africa. Followed by Q & A

**11.30 – 11.50am. Testimonies on US/African Youth Exchange Programs**

- **Global Youth Partnership for Africa (GYPA) and African Youth Exchange Programs**, by Patrick Wu Assistant Coordinator, US/Cameroon Immersion.
- **Networking with African Youth NGOs**, by Maxine Moffett, Fulbright Fellow

**11.50 - 12.20. Brainstorming in Workshops**

**12.20 – 12.50. Plenary and presentation of workshop reports**

**1pm. Presentation of Recommendations, Declaration, and end of Consultation**

**6.2. A word of welcome by Ngalim Eugene Nyuydine, Executive Director of the Cameroon Youths and Students Forum for Peace (CAMYOSFOP) and Founder of African Youth Forum for Peace (AYFP), on the occasion of a Youth Consultation on the EU/US – Africa Cooperation Strategy.**

Your Excellency, the Minister of Youth Affairs;  
Your Excellency the Head of the European Union to Cameroon;  
The Director of IRIC;  
Ladies and gentlemen

Once more good morning and welcome to this consultation organised by CAMYOSFOP in collaboration with the African Youth Forum for Peace. It has been the wish of CAMYOSFOP to see youths playing leading roles in shaping and influencing the developmental policies in their various countries and continent. It is for this reason that CAMYOSFOP went an extra mile in establishing this very important partnership with the Global Partnership for Africa (GYPA), an American based youth NGO. Thanks to this partnership, American youths are today participating in this tripartite consultation on the strategic cooperation between European Union; the United States of America and the African Union. This cooperation is a replica of CAMYOSFOP involvement in the European Union – African Union Cooperation Strategy process.

The EU – AU Strategy is the out come of the December 2005, European Union Summit that adopted the 'EU Strategy for Africa,' setting out guidelines for a new Europe – Africa partnership. This collaboration was then further strengthened by 6<sup>th</sup> EU – Africa Ministerial Troika meeting in Vienna on May 8, 2006, and the African Union Commission - European Union Commission meeting in Addis Ababa on October 2, 2006. These events have contributed to a growing consensus among European and African Leaders regarding issues of peace and security, and development. The emerging accord in evidence is based on notions of integration, solidarity, and cooperation.

The framework for the EU-Africa relationship is fragmented for historical and geo-strategic reasons, characteristics which remain embedded in EU-Africa relations. Three frameworks for cooperation between the European Union and Africa, with various degrees of partnership, co-exist and have evolved according to the international and continental contexts:

- The *Cotonou Partnership Agreement*, which defines the various aspects of the relationship between African, Caribbean and Pacific countries and the European Union including the development cooperation, political and trade dimensions. The Cotonou Partnership Agreement followed the Yaoundé and then Lomé Conventions, which were historically determining Europe's cooperation and trade framework with some of its former colonies.

The former Barcelona process, creating the Euro-Mediterranean Partnership, which has now been merged into the *European Neighbourhood Policy* that defines Europe's relationship with its neighbours among which Northern

- African countries. This framework reflects how Europe sees its priorities with its neighbouring countries.
- The *Trade and Development Cooperation Agreement with South Africa*, which has now been complemented by an EU-South Africa Strategy, and entails the various dimensions of European relations with South Africa (*Towards a Joint Africa – Europe Partnership Strategy ECDPM, 2006*).

This process has been designed to culminate in the adoption of a Joint EU – AU Strategy at the Second EU – AU Summit, proposed by the Portuguese Government to be held in Lisbon in 2007. This Strategy will act as reference framework for Europe – Africa over the next decade.

In the mean time, the synergic relations between Europe and African Youth is also evolving, inspired by the emergence of strong links between the civil society of both continents. The establishment of the African Youth Charter is a strong indicator of these challenges – many of which have developed within the context of the World Program of Action for Youth, adopted by the UN in 1995, and of the 1998 Braga Youth Action Plan – working towards the achievement of the Millennium Development Goals.

There is no doubt that by the end of this consultations Cameroonian youth and their counterparts from the US and Europe would have developed strong strategies of taking this process ahead.

Again, on behalf of CAMYOSFOP and AYFP I wish to say thank you to His Excellency, the Minister of Youth Affairs who accepted to officially open this consultation. Also, I wish to heartily extend my sincere gratitude to Professor Jean Narcisse Mouelle Kombi, Director of International Relations Institute of Cameroon (IRIC), for accepting to support this consultation by offering this magnificent Amphi Theatre for this consultation. Finally, I wish to say thank you to our resource persons, Professor Maurice Tadadjeu, Vice President of AU – ECOSOCC; Mr Martin Tsonkeu, of African Interchange Network; Mr Mamadou Malick Bal, Associate Economic Officer of the Yaounde office of the UN Economic Commission Africa; Mr. Selema Akedjol, Director of Associative Lives and Leisure at the Ministry of Youth Affairs; Maxine Moffett, a US Fulbright Fellow; and Patrick Wu, Group Leader of the US students presently visiting in Cameroon for accepting to be resource persons for this consultation.

While looking forward to a wonderful consultation, I wish all of you a wonderful stay with us and a safe return to your various homes.

Long live the EU/US – African Cooperation Strategy.

### 6.3. Opening Speech by the Minister of Youth Affairs, in relation to the tripartite Cooperation of European Union and the United States of America vis-a-vis the African Union.

Your Excellency, the Head of the European Union;  
The Director of IRIC;  
Fellow American and Cameroonian youths;  
Fellow comrades

Permit me seize this opportunity to appreciate the organisers of this initiative, the Cameroon Youths and Students Forum for Peace (CAMYOSFOP); the Global Youth Partnership for Africa (GYPA); IRIC and MINJEUN for having made this colloquim a living reality today. Once more, thank you all for the cultural and educational exchange program which in one way shall permits both the American and Cameroonian youths to exchange the best practices and lessons learnt in the development pathway of their countries.

On my part as the Minister of Youth Affairs, in the Republic of Cameroon, I very much encourage exchange and cooperation programs of this calibre in order for youths of the world to make globalisation more equitable for all youths upon special focus on the fundamental human rights of all mankind. It is through a colloquim of this nature that we best express our diverse ideas and policies pertening to the integral development of youths across the Americas, Europe, Africa and the world at large.

However, our focus of today is that of European Union and the United States of America political, socio-economic and cultural cooperation vis-a-vis Africa in the past decades and the future of this cooperation.

Specifically, I wish to note that the European Union – African Union Cooperation Strategy is the outcome of the December 2005, European Union Summit that led to the adoption of the 'EU – AU Strategy for Africa, setting out guidelines for a new Europe – Africa Partnership. This process has been designed to lead to the adoption of a Joint EU – AU Strategy at the second EU – AU Heads of state Summit to be held in Lisbon, Portugal in December 2007. Considering the importance of this cooperation to the development of both Africa and Europe, youths are expected to play leading roles in the process. There is no doubt, that these forms of cooperations can be best analysed by evoking what has worked out best and in return, explain what has not work best, as the only way of providing objective solutions to the factor underpinning this cooperation.

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Your Excellency, Head of the European Union;  
The Director of IRIC;  
Fellow American and Cameroonian youths;  
Fellow comrades

I call on all speakers and participants to brainstorm and come out with proper recommendations which can forster this tripaartite cooperation between the EU, the US and Africa. I strongly encourage greater involvement of youths through a global youth network or partnership in the decision-making process of both domestic and international youth policies for the progress of humankind.

It is on this back note that, I declare this conference open. Thank you.

Long live Cameroon;  
Long live the United States of America and;  
Long live the European Union



Monetary threats and opportunities in  
European Union – African Union co-operation:  
Prospects for the CFA franc

By:

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## Introduction

The process of building up the African Union has gone through two main periods in time. The first one, on more than three decades, went on mostly on political bases and prospects, within the Organization of African Unity (OAU), whereas the second, which is going on currently, is essentially marked by economic concerns, within the new born African Union (AU).

The African Union's strategy and concept seem to have been very much influenced by two main factors: poverty and debt. These factors have very badly impaired the social situation in almost all African countries, since the mid eighties, with deterioration at a very rapid pace. This has drawn the need for urgent solutions, one of which passes through international co-operation including links with The European Union.

This short presentation, that we have the honour to deliver today, far from the ambition of engaging into any sort of expert analysis, aims at bringing discussion elements at this special occasion into this important consultation that we owe our young brothers, who should be thanked for the initiative. I mean the Cameroon **Youths and Students Forum for Peace (CAMYOSFOP)** and the **African Youth Forum for Peace (AYFP)**. We hope we shall be able to open a few interesting path for full contribution and good opinion sharing from you participants.

We would like us to look at the co-operation between European Union and African Union, from a monetary angle in the area of trade. More precisely, from a side that has to do with currency development in terms of prospects and impact.

Let us try to see, from what happened in the European Union, as far as monetary option is concerned, what the consequences are or could be for African Union. Knowing that there is not a single currency for Africa, we could take the example of the CFA franc, which is shared by a considerable number of African Union members, in two important sub-regions: West Africa and Central Africa.

## The patterns of European Union – African Union Cooperation

It is historically known that multiple frameworks for cooperation between the European Union and Africa have developed in time. A few are well known.

- **The Cotonou Partnership Agreement, between African, Caribbean and Pacific countries** and the European Union, on development cooperation and trade, which followed the Yaoundé and the Lomé Conventions that determined Europe's cooperation and trade framework with some of its former colonies in the past.
- **The Barcelona process, creating the Euro-Mediterranean Partnership**, which was broadened into the **European Neighbourhood Policy** that defines Europe's relationship with its neighbours including Northern African countries.
- **The Trade and Development Cooperation Agreement with South Africa**, which is more recent and was complemented by a European Union-South Africa Strategy, setting the dimensions of relations between European and South Africa.

A Joint European Union – Africa Union Strategy that is supposed to stand as a reference co-operation framework for Europe and Africa, over the next decade. This is to be set up at the Second European Union – African Union Summit, proposed by Portugal, in Lisbon this year (in 2007).

### **European Union Currency development: The European Monetary Union and the Euro.**

The main monetary development in the European Union is the adoption of a single currency, the Euro, after the 1993 so called European single market. Although not all European Union members went for the single currency, the euro has become the second most important international currency in the world, after the dollar.

### **What do we know about the franc zone and the CFA franc?**

#### *Definition*

Between 1945 and 1958, CFA first stood for Colonies françaises d'Afrique (French colonies of Africa) before changing into "Communauté française d'Afrique" (French community of Africa) between the establishment of the French Fifth Republic in 1958 and the independence of African French colonies in the early 1960s.

#### *Reason of creation*

The reason for the creation of the CFA in 1945 (December 26) was the weakness of the French franc immediately after World War II. When France ratified the Bretton Woods Agreement at the time, the French franc was devalued in order to set a fixed exchange rate with the US dollar. New currencies were then said to be created in the French colonies to spare them the strong devaluation.

René Pleven, the French minister of finance, was quoted as saying this:

*"In a show of her generosity and selflessness, metropolitan France, wishing not to impose on her far-away daughters the consequences of her own poverty, is setting different exchange rates for their currency."*

#### *Area of use*

The CFA franc currency is used in 12 francophone African countries, Guinea-Bissau and Equatorial Guinea. It has a fixed exchange rate to the euro: 1 euro = 655.957 CFA francs. Although Central African CFA francs and West African CFA francs have the same monetary value against other currencies, the version of the currency, in notes and coins, used in one sub-region is not accepted in the other.

## *Exchange rate*

The CFA franc was created with a fixed exchange rate versus the French franc. This exchange rate was changed twice. From 1 FFR = 50 CFA F in 1948 it stood at 1 FRF = 100 CFA F after December 1994. With the advent of the Euro as from January 1999, the CFA franc's fixed exchange rate to the French franc shifted to a fixed rate to the Euro at 1 Euro = 655.957 CFA francs.

## **What could be the threats and opportunities attached to the relationship between Euro and the CFA franc?**

### OPPORTUNITIES

From mere observation, two important facts can be underlined:

#### **Low inflation**

It can be noted that since the advent of Euro, despite some prevailing regional geopolitical uncertainties and exposure to exogenous shocks, the franc area in Africa has enjoyed much lower inflation than the rest of the continent.

#### **Sustained economic growth**

There has also been a sustained global economic growth in the African franc countries, since the year 2000, with an exception when they posted a slight slowdown of their GDP growth that slipped from 4.9% in 2004 to 4% in 2005.

#### **International currency status**

With its fixed rate to the Euro, as was the case before with the French franc, the CFA franc can draw some benefit from the international status that the European currency has been able to acquire.

#### **Imports from countries with weaker than the euro**

It could be good for CFA countries to buy from countries of other monetary zone, like Japan, China or India. But this would be possible only provided that these countries accept to do the corresponding transaction in Euro.

### THREATS

The possible threats as regards the relationship between the Euro and CFA franc are

#### **Dependency to the Euro** In terms of:

- monetary policy;
- trade strategy.

#### **Negative consequences on competitiveness:**

- banana;
- cotton;
- palm oil;

#### **Limitation to co-operation with other regions**

- USA (AGOA);
- China

#### **Conclusion**

The positive impact of the Euro advent on the relationship between the European Union and Africa Union, for us, is questionable. Africans should consider this issue in terms of their economic independence being at stake. Maybe we Africans should very strongly start working towards a common monetary instrument for African Union.

## 6.5 Harnessing globalization to create decent jobs and reduce poverty.

By Mamadou Malick Bal

Associate Economist

UNECA, Yaounde

### 1. Globalization in Africa: facts and figures

The current period of globalization is distinct from previous ones. At the beginning of the 21st century trade and financial services are far more developed and deeply integrated. More than ever, economic decisions are influenced by global conditions (Jenkins 2004), and production processes spread over several continents. Although Africa's share in worldwide flows of trade, investment and remittances is low, globalization affects its economies substantially, because the shares in production and consumption are fairly high.

In the past 20 years, dramatic changes in international markets have helped shape the current era of globalization. A complex process affecting many aspects of people's lives, globalization is defined here as the growing international integration of economies with regards to markets for goods and factors of production (Bigsten and Durevall 2003).

Unlike the globalization witnessed in the 19th century, today, labour markets remain more closed than ever. Most industrial countries have restricted immigration, particularly that of low-skilled workers. Moreover, after the terrorist attacks of September 11, 2001, the movement of people, not only into the United States but also into other countries of the world, has been restricted and controlled more and more.

Despite these limitations, about 2 per cent of the world's people live outside their countries of origin. This reality poses considerable challenges to the domestic labour markets of the African continent, a net labour exporter. Changes in remittance flows might also affect poor people's consumption possibilities.

Contrary to general perception, Africa's markets are integrated considerably in the global economy. But, this integration is asymmetric. Africa depends on the rest of the world, whereas the rest of the world does not depend on Africa. Its shares in both world trade and FDI are only 2 per cent of the global total, a reflection of the continent's low share in world GDP. When few goods are produced, there are fewer exports. When markets are small, the incentives for FDI are limited. Compared with countries that have similar characteristics, African countries' trade and FDI flows are not exceptional—but are determined by their small size, low incomes and geography. That is why policies to increase exports and FDI have to focus on improving productivity (Bigsten and Durevall 2003).

The closer integration of markets is driven mainly by lower transport and communication costs. It also depends on the liberalization of markets for goods, services and capital. Yet, borders still inflict significant transaction costs, particularly due to different legal systems. That is why prices of tradable commodities differ markedly across different countries, even after taking indirect taxes and retail costs into account (Rodrik 2005).

Another issue is the increasing speed of technical change, both a cause and an effect of globalization. Technical progress in information processing and communication has enabled the steps of production to be split and performed in different locations. Increased trade and cross-border investment give less developed countries better access to technology and increase their market competitiveness (Lall 2002).



## Africa's share in world trade is low but its dependency on trade is high

While world GDP rose on average by 3.8 per cent a year between 1985 and 2000, world exports grew by 6.1 per cent. Developing countries as a whole increased their share of world trade from 19.2 per cent in 1970 to 31.7 per cent in 2002. Developing Asia's share of world trade increased from 17.9 per cent in 1980 to 24.2 per cent in 2002, South-East Asia's from 8 per cent to 20 per cent. Latin America's share remained constant at around 5.5 per cent. Africa's share, by contrast sank from about 5.9 per cent to 2.1 per cent in 2002 (UNCTAD 2004a).

On the basis of foreign trade as a share of GDP, Africa is one of the world's most open regions, behind only East Asia. But that share has oscillated historically in line with commodity price fluctuations. In addition, it increased less than in other regions between 1970 and 2002

With world trade in manufacturing goods growing fast in the past decade, while trade in raw materials more or less stagnated, manufactured exports were more likely to create growth and jobs (Fosu 1990, 1996). Africa's share in global trade in manufactures, already very low at 1 per cent in 1980, fell to 0.81 per cent in 2001.

## FDI in Africa has also expanded, if from a low base

Growth in world trade was accompanied by growth in FDI. Indeed, global FDI grew at 17.7 per cent a year over 1985–2000, boosting net inflows to developing countries as a whole. The developing countries most successful in attracting FDI were the most successful exporters. Inflows of FDI to South, East and South-East Asian countries (excluding China) moved from \$3.5 billion in 1980 to \$35.9 billion in 2002, with a peak at \$97.9 billion in 2000. Africa's share of FDI inflows for developing countries is half what it was in 1980 (UNCTAD 2004a).

Contrary to general perceptions, however, Africa benefited from the recent rapid expansion of FDI. In Sub-Saharan Africa FDI stabilized at an average of \$8.75 billion a year during 1997–2002, twice the average of \$4 billion at the beginning of the 1990s (World Bank 2004). In 2003 FDI to Africa increased to \$14 billion, despite a declining world trend. And like Latin America the share of FDI in GDP increased to more than 2 per cent (figure 6.2).

Even so, more than half the FDI to Africa is to the primary sector, mainly extractive industries, which exploit resources but use little local labour. Data from foreign affiliates of U.S. firms in Africa show that manufacturing FDI is 17.5 times more labour-intensive than mining FDI. In some African countries, though, FDI has recently risen in manufacturing, agroindustries and services, as for Egypt, Morocco and Mozambique (UNECA 2004b). There has also been an increase in employment in manufacturing FDI in Africa. This investment is driven partly by low labour costs and partly by preferential access to markets of industrial countries.

## Imbalances in migration lead to a brain drain in Africa

The main direction of migration is from developing countries towards industrial countries, so Africa is a net emigrating region. The stock of African migrants is highest in France, where more than 1.6 million of the 4.3 million Africans living in Organisation for Economic Co-operation and Development (OECD) countries reside. The second most common destination is the United States, where more than 880,000 African nationals reside. Most migrants come from North Africa, mainly Morocco (1.3 million) and Algeria (680,000). The reported remittances have increased from \$8.6 billion in 1990 to \$11.1 billion in 2002, partly reflecting an increase in the number of migrants (World Bank 2004; Doquier and Rappoport 2004).<sup>6</sup>

In principle, migration could reduce unemployment. But the discrimination in favour of educated workers by OECD countries contributes to the brain drain from developing countries, increasing the shortages of highly skilled workers in many African countries (World Bank 2002). Recent evidence shows that Sub-Saharan Africa is most affected by the emigration of skilled workers, with 14 countries having more than 15 per cent of their skilled workers residing in OECD countries in 2000. Among them: Somalia (59 per cent), Ghana (43 per cent), Mozambique (42 per cent), Sierra Leone (41 per cent), Nigeria (36 per cent) and Madagascar (36 per cent). Especially for low-income countries the share of skilled workers migrating increased substantially between 1990 and 2000, meaning that public expenditure for their education does not benefit the home country. (Doquier and Rappoport 2004).<sup>7</sup>

## II. The links between globalization, employment and poverty

There will always be winners and losers from globalization, at least in the short run. The effects on poor people depend on the production factors owned by poor people, such as skills and land, and the goods and services consumed. Poor households typically have several sources of income, not only wages (mainly of low-skilled labour) but also profits from production (mainly in agriculture and the informal sector). Another major source of income is transfers, mainly remittances from family members who have migrated. Because poor people, and particularly poor women, have less access to productive factors, they tend to be less able to respond to change (UNECA 2004b; Winters, McCulloch and McKay 2004).

In Uganda, for example, casual workers on tea estates in the northern region, who have no access to land or formal education, are among the poorest people in the country. By contrast, smallholders who produce nontraditional export crops have increased their income.

## More trade and FDI could increase productivity

Globalization, and poverty reduction are positively linked to productivity growth through different channels. Both exports and FDI will increase significantly only if a country is competitive in the international market, and competitiveness depends on the ratio of wages to productivity. Closer integration into the world market can increase productivity as well.

There is also a strong link between productivity and poverty. Higher productivity allows wages to rise and thus reduces poverty. But if productivity growth in Africa lags behind other regions, wages have to be reduced for it to be competitive. However, lower production costs through increased productivity could be translated into lower prices and higher real incomes, resulting in increased demand for other products and thus more jobs (ILO 2004b).

A reduction in poverty is usually associated with better healthcare and education, which increase productivity (chapter 5). A virtuous circle can thus be established between productivity and poverty reduction. Most countries have experienced growth in both productivity and employment over the past 20 years (ILO 2004b).

In the manufacturing sector low levels of competitiveness of African firms are reflected in slow growth and low export levels. In Ethiopia, Mozambique and Uganda the value added per worker is only a third of that of India or China.

## African countries need to reform to benefit from globalization

To benefit from globalization in the long term, African countries need to diversify their exports into processed goods and manufactures in order to reduce the terms of trade risks and to benefit from growing world demand. To increase productivity, human capital needs to be updated and obstacles reduced for exporters and FDI, especially in infrastructure. Only then will poor people in Africa have a chance to participate in global markets.

### III. Harnessing the potential benefits of globalization

In general, competitiveness in Africa is lower than in other regions, reducing the export sector and FDI's prospects of creating employment. The low efficiency of production is due not only to the low skill levels but also to inadequate infrastructure, obstacles to the private sector and unfavourable economic policies. Competitiveness of production and attractiveness for investors are further hampered by the low labour productivity, which cannot be compensated for by low wage costs, and small markets. To increase African countries' ability to harness the benefits of globalization, they should address these problems but also use industrial policy to boost labour-intensive export sectors, encouraging links between foreign and domestic firms (Wangwe and Rweyemamu 2002).

### Education and skills are crucial

Sophisticated modern technologies require high levels of numeracy and a broad base of skills. In this context, formal education should not be equated with skills. It needs to be enhanced by experience of handling particular technologies (Lall 1999). To improve the situation in Africa, both the low efficiency of providing education and the mismatch of skills need to be addressed.

One lesson from East Asia's experience is the attention to the quality as well as quantity of education, including an emphasis on vocational skills, essential for technological change and growth (ADB 2004).

Demand for skilled labour in manufacturing and services increases where the widespread application of information technology calls for higher levels of skills (Lall 1999). New information and communication technology is dramatically changing the tradability of information-related services. Large companies are increasingly outsourcing information and communication technology functions to external service providers. The global market for such outsourcing, estimated at \$110 billion in 2002, is expected to grow to about \$173 billion in 2007 (Scholl and others 2003).

Africa's share in this market, though tiny, is rising. The number of call centres in South Africa, the biggest player, has increased threefold since 1997. In 2003 there were more than 500 call centres in the country, employing about 70,000 people. It is estimated that the number of workstations related to call centres and back-office services will increase by more than 200 per cent until 2007 (De Vynck 2004). Other African countries such as Ghana, Mauritius and Senegal have also received investments linked to offshore services (UNCTAD 2004c).

These kinds of offshore services require mainly semi-skilled workers, because the technological content of the work is quite thin. But they require proficiency in written and spoken English, familiarity with the culture of the client countries and social skills. Overall the skills for these jobs, though low in developed countries, are above African national averages, and the entry into information processing could be a building block for future upgrading.

## Infrastructure is a key to boosting trade and investment

The lack of reliable infrastructure in African countries is one of the major barriers to trade, leaving them relatively unattractive to foreign investors. Most African firms are hampered by basic problems in transport, energy and information and communication technology (UNCTAD 2001). Low density of infrastructure is partly caused by low population density, and the networks in some countries are further degraded by civil wars, still severe in Africa. Aggravating all this are administrative barriers, which cause severe delays and increase transport costs (UNECA 2004b)

Infrastructure development is particularly urgent in the rural areas. Most infrastructure in Africa is concentrated along the coasts and in major urban centres, but the majority of poor people still live in rural areas. Improved infrastructure in the rural sector would help it integrate with the urban sector and the global economy. It could enhance the attractiveness for investment not only of agricultural products but also of nonagricultural goods and services (Fosu 2004). For example the export potential of soya beans, shrimps, fish, cashew nuts and gum arabic can be realized only if rural infrastructure services are improved, including extension services and trade support (ADB 2004)

## Target investment in labour-intensive sectors

Most African countries pursue policies to attract FDI, if with limited success. Although the rate of return on FDI is higher in Sub-Saharan Africa than in other regions in the world, there is evidence of systematic bias against Africa because of a high perception of risk (World Bank 2002). Consistent with this bias, FDI to Africa is systematically lower than would be predicted by the fundamentals (Jaspersen, Aylward and Knox 2000). Useful tools to change this bias can be marketing the locational advantages of African countries and correcting a poor image through independent country ratings.<sup>1</sup>

## Linkage-intensive industries create spillover effects

To enable a larger share of the population to benefit from globalization, African governments should promote trade and attract nonmineral FDI in linkage-intensive sectors. These linkages could be through demand for local products, through the supply of products and services to local firms and through knowledge spillovers.

E.g. Agro-processing; generates demand for perishable agricultural inputs, which have to be sourced locally. These are labour intensive activities that can have a positive effect on labour markets.

E.g. Tourism; generates direct and indirect jobs in hotels, travel agencies, transport firms, restaurants, national parks and monuments. It is labour intensive.

E.g. Spillovers of knowledge and management skills to local firms; A foreign company that trains a local labour force increases know-how in the host country. Policies that facilitate this process have a great likelihood of being successful (Tunisia).

## Regional integration can be a stepping stone to global markets

One major obstacle for most African countries is their small markets, preventing firms from exploiting economies of scale, not attracting market-seeking FDI. CEMAC, ECCAS

For landlocked countries regional integration is crucial to secure access to international markets. This is true for physical infrastructure of roads, railways and ports, which have to link the member countries, and for administrative coordination.

## New opportunities for women through globalization

- The agriculture sector can promote pro-gender employment; high-value agricultural exports are female-intensive industries. E.g.. Zimbabwe cut flower industry; Burkina Faso shea butter exports.
- ICTs development. E.g in Senegal, Ivory Coast, Guinea, Nigeria, the Gambia and Morocco increasing number of women working in ICT.
- African governments should make more efforts to uplift the female education so that women can really share the opportunities of globalization

## IV How to mitigate the negative impact of globalization?

Although globalization has generally brought benefits, it has also been associated with inequality, vulnerability to external shocks and a brain drain. African governments need to cushion the most vulnerable groups against the adverse effects of globalization. These include laid-off workers in import-substituting industries, especially low-skilled workers, and poor people, who often lack assets to invest in productive activities.

Ways to mitigate the adverse effects of globalization requires providing basic social security, retraining workers for growing sectors and improving access to education and credit. In addition, institutions need to be modernized to improve information flows in the labour market and increase contract enforcement. This will enable African countries to participate in global value chains. Moreover, the links that migrants can establish between their country of origin and their country of residence can be useful for integrating into the world economy.

## Using the African diaspora to create employment

The migration of skilled workers from Africa to industrial countries increases the scarcity of skills and reduces the returns of government spending on education. Ways need to be found to harness the potential contributions of international migration for sustainable development. The main channels are remittances, investments, skill transfers and diaspora networks (IOM 2004).

Worldwide remittances have become the second largest source of financial flows after FDI. Growing fastest, they are the most stable capital inflows into developing countries, reducing poverty and vulnerability. The amount of reported remittances has increased from \$8.6 billion in 1990 to \$11.1 billion in 2002. Africa received about 15 per cent of global remittances, with the bulk going to North Africa. For Sub-Saharan Africa as a whole, remittances contributed 1.3 per cent to GDP in 2002, but for some countries the contribution exceeds 10 per cent. With a significant part remitted through informal channels and therefore unreported, it is estimated that actual remittances are at least twice the official figures (World Bank 2004; Docquier and Rapoport 2004).

So far around 80 per cent of these remittances are used for consumption and schooling. But they can also contribute to upgrading infrastructure (e.g. of Senegal). Even if remittances are used for consumption-smoothing, they increase the demand for local products through multiplier effects. They also increase foreign exchange reserves.

Remittances are now sent more through formal channels, particularly where the exchange rate regime has been liberalized, as in Uganda. But the tightening of regulations in industrial countries that are intended to fight money laundering and financing of terrorist activities makes the banking system less accessible for migrants and increases the cost of transfers (Sander and Maimbo 2003).

Some African countries have schemes to attract remittances into the formal banking sector and provide incentives for investing them. In Morocco more than 60 per cent of remittances are sent through Groupe Banques Populaires, with branches in Europe. Most emigrants transfer their remittances through the basic checking account, and the relative in Morocco can withdraw money in local or foreign currency at no cost. The bank also provides subsidized credit for real estate and business investments.



Migrant networks should be regarded as an asset and ways to better exploit them should be explored. Because contract enforcement across borders is especially difficult for small and medium enterprises, ethnic networks can foster cross-border trade and investment links. Migrants can also facilitate the flow of information and knowledge and contribute to technological progress.

Return migrants, with their new skills and attitudes, can help to expand employment by engaging in the private sector. They have accumulated savings as well as skills, experience with the business culture in industrial countries and links to those countries—a good basis for starting an export-oriented business. A growing number of Tanzanian women have returned from abroad and started various businesses, including Tanzanite Jet Services, which specializes in meeting the technical and bureaucratic needs of visiting private jets.

A strategy to encourage the return of skilled emigrants should be incentive-based, as in Tunisia (Mesnard 2004). Without an improvement in the business climate that allows adequate returns, few migrants will return. Several countries, such as Mali and Sudan, are providing tariff exemptions for imported goods, favourable exchange rates and financial support for skilled migrants who want to return home.

## V. Conclusion

Globalization offers many opportunities for development but fewer guarantees. To benefit from globalization African countries need to improve their competitiveness and efficiency through policies that favour trade and FDI, while minimizing the risks caused by factors that are outside their control.

Employment is sustainable only when productive activities are competitive in the long term. This can be achieved through productivity enhancements, so that competitiveness is based not just on low costs but also on greater flexibility and stronger links within the economy and across borders (ECLAC 2002). Key areas for improving productivity are upgrading skills and infrastructure. Deeper regional integration can also increase efficiency and improve economies of scale. Direct support for nontraditional exports and labour-intensive investments has to be targeted very carefully to set the right incentives.

One way to reap globalization's benefits in employment and poverty reduction and reduce the associated risks would be to set priorities for trade and private sector development in Poverty Reduction Strategy Papers. Poverty Reduction Strategy Papers are more growth-oriented and include a range of trade objectives, the links between these goals and the priority actions need to be strengthened. Only 8 of 21 countries with Poverty Reduction Strategy Papers explicitly link the creation of employment to global or regional integration. The labour intensity of export production and FDI, the links to the domestic economy and the dynamic comparative advantages need to be taken into account (UNCTAD 2004c).

## 6.6. MAJOR ARTICULATIONS FROM THE AFRICAN YOUTH CHARTER

**By Selema Akedjol,  
Director of Associative Life and Leisure,  
Ministry of Youth Affairs**

The African Youth Charter is useful for the development of the African youth as:

- Frameworks to guide, inspire, and validate youth organizations and actions;
- To provide AU Member States with a framework for youth development policies and provisions;
- To empower youth to take advantage of these provisions

### 1- Youth Leadership & Participation

#### **Art: 11.**

- 1- Guarantee the participation of youth in parliament and other decision- making bodies;
- 2- Facilitate the creation or strengthening of platforms for youth participation at local, national, regional and continental levels of governance;
- 3- Institute policy and programmes of youth voluntarism at local, national, regional and international levels

### 2- Education & skills development

#### **Art: 13.1**

- 4- Revitalize vocational education and training relevant to current and prospective employment opportunities and expand access by developing centres in rural and remote areas;
- 5- Avail multiple access points for education and skills development including opportunities outside of mainstream educational institutions.

#### **Art. 13.4.**

- 6- Strengthen participation in and the quality of training in Science and Technology;
- 7- Encourage youth participation in community work as part of education to build a sense of civic duty.

### 3- Sustainable Livelihoods

#### **Art14.**

- 8- Facilitate access to credit to promote youth participation in agricultural and other sustainable livelihood projects;
- 9- Facilitate the participation of young people in the design, implementation, monitoring and evaluation of national development plans.

#### **Art. 15.**

- 10- Ensure equal access to employment and equal pay for equal value of work;
- 11- Develop macroeconomic policies that focus on job creation;
- 12- Promote youth entrepreneurship.

## 4- Health & wellbeing

- 1- Provide access to youth friendly reproductive health services including contraceptives, antenatal and postnatal services;
- 2- Provide timely access to treatment for young people infected with HIV/AIDS including prevention of mother to child transmission, post rare prophylaxis, and anti-retroviral therapy and creation of health services specific for young people;
- 3- Raise awareness amongst youth on the dangers of drug abuse;

## 5- Sustainable development & environment

### **Art.14.2**

- 4- Enhance the attractiveness of rural areas to young people by improving access to services and facilities;
- 5- Provide grants of lands to youth and youth organisations;
- 6- Facilitate access to credit to promote youth participation in agricultural and other sustainable livelihood projects;

### **Art. 19.**

- 7- Train youth in the use of technologies that protect and conserve the environment;
- 8- Develop realistic and flexible strategies for the regeneration of forests.

## 6- Peace

### **Art. 17.**

- 9- Strengthen the capacity of young people and youth organisations in peace building, conflict prevention and conflict resolution through the promotion of intercultural learning, civic education, tolerance, human rights education and democracy;
- 10- Institute education to promote a culture of peace and dialogue in all schools and training centres at all levels;
- 11- Mobilise youth for the reconstruction of areas devastated by war, bringing help to refugees and war victims;

## 7- Youth responsibilities

### **Art. 26.**

- 12- Espouse an honest work, ethic and reject and expose corruption;
- 13- Defend democracy, the rule of law and all human rights and fundamental freedoms;
- 14- Promote patriotism towards the unity and cohesion of Africa;
- 15- Promote, preserve and respect African traditions and cultural heritage and pass on this legacy to future generations;
- 16- Protect the environment and conserve nature.

## 6.7. YOUTH'S PARTICIPATION IN THE AFRICAN UNION PROCESS

**By Maurice Tadadjeu**  
**Vice President of ECOSOCC, African Union.**

### 1. Introduction

The purpose of this brief paper is to help youth organizations interested in becoming involved in the current African Union (AU) process take the right steps in the right direction. First, the concept of African Union process will be defined and the place of the youth in this process indicated. Second, the mechanisms of youth's involvement will be presented; and finally some advantages for the youth to be involved will be shown.

### 2. The African Union Process in 2007.

In January 2007, the Heads of State and Government of the African Union decided to accelerate the process of economic and political integration of the continent, through the establishment of a Union Government as a major step leading to the creation of the United States of Africa (by the year 2015). One of the most important means to achieve this objective was seen to be the involvement of the African people in the process, through popular consultations at the national, regional and continental levels. It was also decided that the 9<sup>th</sup> AU Summit due to take place in July 2007 in Accra, Ghana, would focus on a *Grand Debate on the Union Government*. This decision came as a great turning point in the history of our continent. Since then, almost any important activity in the African Union is somehow related to this process of a gradual transformation of the AU into the United States of Africa, also called the United Africa (UA).

### 3. Mechanisms for Youth involvement.

It should be recalled that the participation of youths and women is very much emphasized in the organs of the AU. For instance, in the AU Commission, there are five men and five women. Also, in the Economic, Social and Cultural Council (ECOSOCC), each Member State is represented by one man and one woman, one of the two being a youth (under 35 years old). ECOSOCC is the consultative organ of the Union charged with the responsibility of advising all the other organs of the AU. It is therefore a major entry point for the youth into the AU process. Any youth interested in being involved in ECOSOCC should help its organization apply for membership into the General Assembly (GA) of ECOSOCC. Elections of national, regional and continental Civil Society Organization (SCO) representatives into ECOSOCC's GA are currently being prepared. Application forms can be downloaded from the AU Web site ([www.Africa-Union.org](http://www.Africa-Union.org)).

Another way of being part of ECOSOCC is through National Chapters of this AU organ. The creation of national and regional chapters is being encouraged by the Interim ECOSOCC representatives in each Member State. In case you do not know who the two representatives for your country are, call on your Ministry in charge of Foreign Affairs, and specifically to the Service in charge of AU Affairs. They will be able to locate these representatives for you.

A third entry point for a CSO into the AU process is through the National Commission for AU Affairs. This Commission will soon be established in all Member States. Its role will be to follow



up all AU related matters within the country. CSOs, and particularly youth and women organizations, will be represented in this national AU structure.

There is still another entry point for African CSOs into the AU. This is through direct partnership with specific AU Departments. All your organization needs to do is to be involved in an activity of interest to a given AU Department, and be willing to establish a mutually beneficial relationship with that Department. Again, the AU web site is the first place to go in order to know which Department may be interested in your organization's activities.

Finally, there are AU-Civil Society pre-Summit meetings which are regularly organized prior to almost every AU Summit or, in any case, at least once a year. These meetings are intended to help interested CSOs bring their inputs into the main theme of the Summit. Many CSOs are generally invited by the AU Office of CIDO, or specific AU Departments, to participate in such meetings. Invited organizations are those known to be specialized in the areas covered by the main theme of the Summit.

### 3. Why should the Youth participate in the AU Process?

One obvious and pragmatic reason for African youths to be involved in the AU process is that it will facilitate their access to many job opportunities. The current AU process is generating an ever increasing number of jobs, especially for well educated youths. An early acquaintance with AU structures and functioning will certainly help any youth identify the areas where he/she could eventually apply (or help someone apply) for a job within the AU system.

However, in participating in the AU process, African youth organizations should have higher ambitions than just seeking job opportunities. Actually, they should aim at contributing to AU activities that would generate better conditions of life in the continent. One of the many ways of doing this is to participate in the ongoing Panafrican pre-referendum on the Draft Constitution of the United-Africa (The United States of Africa) in order to accelerate this creation of a united, peaceful and prosperous Africa. Information on this important process can be gotten from the following web site: [www.Foscam.org](http://www.Foscam.org).

### 4. Conclusion

If you are a youth, as you read this brief paper, please remember this saying that says that: *Some people make things happen; Other people watch things happen; and many other people don't even know that anything has happened.* I hope that you will decide to put yourselves into the category of people who make things happen, by participating actively in the AU process, especially at this historic moment when so many things are due to happen in Africa.